



**PROVIDENCE HOUSING AUTHORITY
BOARD OF COMMISSIONERS
REGULAR MEETING: March 24, 2005**

PHA Conference Room

100 Broad Street

Providence, RI 02903

CALL TO ORDER

Chairman Anton called the meeting to order at 5:03 p.m.

ROLL CALL

The Executive Director called the roll:

Present

Dr. Thomas J. Anton
Theodore Low
Jaime Castillo
Dolores Cascella
Dorothy Waters
Rita Williams

Absent

Paul Waldman (Excused)
Raymond Murphy (Excused)
Balbina Young
Paul Lewis

Six members were present and a quorum was declared.

RESIDENTS' COMMENTS

There were no resident comments.

APPROVAL OF MINUTES (February 24, 2005)

Chairman Anton called for approval of the February 24th meeting minutes. Commissioner Waters motioned for approval. Commissioner Low seconded the motion. A vote was taken. There being no opposition, Chairman Anton declared the minutes approved.

CHAIRMAN'S REPORT

General Remarks

The Chairman began by announcing that Commissioner Low has been granted a significant honor. He has been designated as the Civilian Aid to the Secretary of the Army. The Chairman also mentioned that Executive Director O'Rourke has once again been approached to submit his application for HUD Assistant Secretary for Public and Indian Housing, but has chosen not to be considered for the position.

Board Development Retreat

The Administration is in the process of developing the agenda for the April 22-24 Board Training and Development Retreat. The Chairman has reviewed the preliminary agenda and anticipates a very successful program. He asked each board member to contact the Executive Director if they have any topic they would like reviewed.

Executive Committee Meeting

The Chairman stated that the Executive Committee met earlier in the week to discuss the sale of rooftop leases discussed at last month's meeting in which a resolution was conditionally approved pending Commissioner Murphy's review of the sales agreement. The Chairman reported that Commissioner Murphy had called him to say that he had reviewed the contract and had a number of concerns he thought should be discussed. It was agreed that the Executive Committee was the appropriate body to discuss those concerns, prior to final Board action. Commissioner Murphy could not be present at the scheduled Executive Committee meeting, but he provided the Chairman with a detailed summary of his concerns, which the Chairman reported to the Committee. The Committee also heard a detailed response from Director O'Rourke and, after considerable discussion of both points of view, decided that the resolution authorizing the Director to proceed with the contract should stand.

The Chairman noted that Commissioner Murphy's very careful review and the Director's equally careful response had structured an excellent learning process for Board members and provided a text-book example of how the

Board should work. Commissioner Low added that the Board was fortunate to have a very diverse membership with varied expertise, including Commissioner Murphy's expertise in accounting that could be brought to bear on complicated issues. The willingness of Board members to work together to resolve such issues, he thought, was the major reason this Board has been so successful. Director O'Rourke added that, while he did not share Commissioner Murphy's point of view on this matter, he was very pleased that Commissioner Murphy had taken the time to review the contract and to communicate his views to other Board members. A copy of the Executive Committee Meeting Minutes will be forwarded to all Board members.

COMMITTEE REPORTS

- ***Budget & Finance Committee***

Commissioner Castillo reported that the committee met and were briefed on the annual operating budget and allowable expense level, which will be presented to the entire Board later in the meeting. (See attached detailed meeting summary.)

- ***Asset Management/Capital Improvements Committee***

Commissioner Low reported the committee met and were briefed on work currently underway, contracts awarded, bids due and bids being prepared as well as the 2005 Annual Plan Submission Summary of Planned Major Capital Fund Projects. (See attached detailed meeting summary.)

- ***Resident Services Committee***

Commissioner Waters reported the committee met and were briefed on a Resident Advisory Board meeting that took place on March 3rd as well as the status of several grants and ongoing programs within the Resident Services Department. (See attached detailed meeting summary.)

EXECUTIVE DIRECTOR'S REPORT:

General Comments

The Executive Director took a moment to welcome Orlanda Oliveira-Teo, Planner/Policy Analyst, who has returned from maternity leave and also to announce that Sarita Govani, Planner/Policy Analyst, will be getting married this summer.

Monthly Management Report Highlights

The Executive Director reported the following highlights in December's Monthly Management Report:

- Occupancy is at 98%
- Budget is doing well – a surplus in all major categories except utilities which is over by \$899,000
- Collections are at 97%
- 9 evictions last month – new eviction attorneys are doing a great job
- 18 families vacated during the month
- There are approximately 4,800 families on the waiting list (3,800 on pre-application list)
- 31 units were turned over last month
- 30 Offences were reported to PHU – 70% were cleared by arrest
- Resident Services Department had successful school vacation week programs
- 184 fewer vouchers leased due to cutback in the program

He stated that this information and more could be found in each Commissioner's copy of the Monthly Management Report.

Annual Operating Budget: Allowable Expense Level

The Executive Director explained that although we are no longer required to submit our annual operating budget to HUD, we are required to submit an annual operating subsidy calculation. This calculation has been summarized by Chief Financial Officer Joseph Braga on a 1-page report. The Executive Director explained in detail how the operating subsidy is calculated using a formula determined by HUD. He further stated that should the operating subsidy for 2006 be funded at 100%, we would receive \$8,759,688. However, HUD has instructed us to prepare our budget at 89% in which case we would receive only \$7,796,122 a difference of \$963,566. It should be noted that we will not receive the final pro-rata until late June and the final percentage may not be as bad as anticipated. The HUD version of the subsidy calculation (various forms) were also distributed to the board.

Chairman Anton stated that the presentation of this material is the clearest received to date and thanked both Joseph Braga and Executive Director O'Rourke for simplifying a confusing process.

Sale of Roof Leases

The Executive Director stated that the Housing Authority's initial review of the proposal to sell our rooftop leases to Wireless Capital Partners (WCP) seemed to be in the best interest of the PHA. However, the contract has been reviewed by our in-house attorney and found to have several flaws that unless resolved to our satisfaction will negate this sale.

Discussion of Board Training & Development Retreat Topics

This years' Board Training & Development Retreat will include several panel discussions on development with people in our industry as well as environmental scans and SWOT analysis. There will be more discussion and interactive participation and possibly more free time. The Executive Director asked that he be contacted with any ideas or subject the Board would like covered.

Development Status

- Williams Woods Place
Bids for the Williams Woods project came in about \$2 million over budget. We are working with the architect to reduce this number hopefully by \$1 million, possibly by reducing the number of units from 65 to 60 and removing the 2nd full bathroom in 3-bedroom units. We are also in contact with RI Housing discussing the possibility of increasing the amount of tax credits they will allow and to seek an approval in the amount of rent we can charge. We believe this project will still go ahead but it has set back the anticipated groundbreaking date.

RESOLUTION(S)**Resolution #4131: Approval of Annual and 5-Year Plans**

Resolution #4131 asks the Board of Commissioners to authorize the Executive Director to submit the One and Five Year Plan to the Department of Housing and Urban Development as required. Commissioner Low motioned for approval with Commissioner Williams seconding the motion. After some discussion, a vote was taken. There being no opposition, Chairman Anton declared the resolution passed. [See attached]

Resolution #4132:

Resolution #4132 asks the Board of Commissioners to authorize the Executive Director to submit the annual subsidy calculation to the Department of Housing and Urban Development. Commissioner Waters motioned for approval with Commissioner Cascella seconding the motion. After some discussion, a vote was taken. There being no opposition, Chairman Anton declared the resolution passed. [See attached]

OLD BUSINESS

There was no old business to discuss at this time.

NEW BUSINESS

There was no new business to discuss at this time.

ADJOURNMENT

There being no further business, Chairman Anton accepted a motion to adjourn from Commissioner Low which was seconded by Commissioner Williams to adjourn the meeting at 5:40 p.m.

Submitted by:

Approved by:

Kimberly Dawley
Recording Secretary

Stephen J. O'Rourke
Executive Director